MALAYSIA: THE PROBLEMS OF FEDERATION

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ON MAY 27, 1961, Tengku Abdul Rahman, Prime Minister of Malaya, suggested in an address before a press luncheon in Singapore that a new Malaysian federation embracing the Federation of Malaya, Singapore, Sarawak, Brunei, and North Borneo was not only desirable but also possible. Though made in a seemingly offhand manner, it was almost immediately picked up by the press as the key point in the Prime Minister's address,[1] and pressure grew for concrete proposals. Interest and enthusiasm mounted, and on October 13 the Tengku agreed to travel to London to present his views at the invitation of H.M. Government. A joint statement issued at the conclusion of these talks agreed that the principle of federation was desirable and that a commission should be appointed to ascertain the views of the residents of the two British colonies concerned.[2]

The appointments to the Commission were announced jointly in London and Kuala Lumpur on January 16, 1962. Appointed as the chairman was Lord Cobbold, a former governor of the Bank of England. The other British appointees were Sir Anthony Abell, a former governor of Sarawak, and Sir David Watherston, the last chief secretary of British Malaya. Malaya selected Inche Muhammad Ghazali bin Shafie, Permanent Secretary to the Ministry of External Affairs, and Dato Wong Pow Nee, Chief Minister of Penang. After holding 50 hearings in 35 centers in Sarawak and North Borneo between February 19 and April 18, 1962, the Commission submitted its *Report* to the prime ministers on June 21. This *Report* then became the basis for discussions in London between the prime ministers and other government officials from July 16 until the announcement that agreement had been reached on August 1.

The August 1 statement agreed that the Malaysian federation should be brought about and that this should be completed no later than August 31, 1963, a choice of dates undoubtedly influenced by the anniversary of Malayan independence, August 31, 1957.[3] In order to create this new federation, the agreement stated that the two

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[1] See *Straits Times* (Singapore and Kuala Lumpur), May 28, 1961, p. 1.

[2] Cmnd. 1563 (1961). The terms of reference of the commission, originally contained as Annex A of the agreement, were as follows: "Having regard to the expression of agreement of the Governments of the United Kingdom and the Federation of Malaya that the inclusion of North Borneo and Sarawak (together with other territories) in the proposed Federation of Malaysia is a desirable aim in the interests of the peoples of the territories concerned (a) to ascertain the views of the peoples of North Borneo and Sarawak on this question; and (b) in the light of their assessment of these views to make recommendations."

"Other territories" undoubtedly referred here to Brunei and Singapore. It is unfortunate that the Commission did not have a mandate from the Sultan of Brunei to visit his state and undertake the same appraisal as it was charged to do in North Borneo and Sarawak.

[3] The question of phasing and timing was undoubtedly one of the major hurdles that had to be overcome and probably contributed in part to the length of the negotiations in London,

governments intended to conclude within "the next few months" a formal instrument providing for the following: (1) the transfer of the sovereignty of the three areas under British control to the new federation by August 31, 1963; (2) provisions setting forth the new relationship of Singapore and the new federation;[4] (3) defense arrangements following the provisions of the Joint Statement of November 1961;[5] and (4) detailed constitutional arrangements, "including safeguards for the special interests of North Borneo and Sarawak," to be drawn up after appropriate consultations with the two legislative councils.[6]

At the same time, and included as an integral part of the agreement, it was announced that an Inter-Governmental Committee would be established under the chairmanship of the Minister of State for the Colonies (Lord Lansdowne), the Deputy Prime Minister of Malaya (Tun Abdul Razak), and other members to be named later representing the remaining territories. This committee was charged with the task of working out the complex constitutional arrangements of the projected federation.[7] The Lansdowne Committee *Report* was presented to Parliament in February 1963 and was accepted by each of the governments as a working basis for the creation of the new constitutional provisions and the necessary constitutional arrangements. After lengthy discussions in all of the capitals final agreement was reached in London in July 1963. While Brunei refused to sign the Malaysia Agreement this setback is probably only temporary and it seems likely that negotiations will be reopened in the near future.[8]

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an opinion that was corroborated by the statements of the Governor of North Borneo, Sir William Goode, upon his return from the London talks. See the *Borneo Bulletin* (Kuala Belait, Brunei), August 11, 1962. The two British members of the Cobbold Commission, arguing that the people of North Borneo and Sarawak were accustomed to a strong executive leadership situated close to home, recommended that there should be a transitional period during which all executive power (except foreign affairs, defense, and security against subversion) should be transferred gradually to the federal government over a period of three to seven years. This recommendation was not accepted, however, and in the end the Malayan members won out in their insistence that the transfer of powers should be almost immediate.

[4] A general agreement had been reached by the prime ministers of Malaya and Singapore on August 23, 1961, regarding the conditions on which a merger of the two units would be mutually agreeable. See State of Singapore, *Memorandum Setting Out Heads of Agreement for a Merger between the Federation of Malaya and Singapore* (Singapore: Government Printing Office, 1961).

[5] This was contained as paragraph six of the Joint Statement. See n. 4, above.

[6] For the text of this statement, see *Straits Times,* August 2, 1962.

[7] The total membership of the Committee eventually numbered 23 (excluding secretaries to each group). The distribution was Britain, 4; Malaya, 5; North Borneo, 6; and Sarawak, 8. The question of Brunei's status might again be brought up in regard to the work of this Committee. There was no official provision made for Bruneian representation, though there seemed to have been common recognition that Brunei's constitutional demands would have some affect on the resulting constitution.

[8] See Great Britain and Federation of Malaya, *Malaysia: Report of the Intergovernmental Working Committee, 1962* (London: HMSO, 1963); and Great Britain and Federation of Malaya, *Malaysia: Agreement Concluded between the United Kingdom, the Federation of Malaya, North Borneo, Sarawak and Singapore* (London: HMSO, 1963).

Brunei's reluctance to join the Federation, which may have been based on domestic politics in Brunei as much as on the Sultan's stated reasons, has presented some problems in the revision of the present essay. Since Brunei is a natural part of the Federation and since it is probable that it will join in the near future it seemed desirable to include some discussion of the Sultanate. I have therefore chosen to consider Brunei in the more general discussions of the area and to include Brunei statistics parenthetically in Tables I and II. However, I have excluded this state when dealing specifically with the new Federation.

The Malaysian Territories

The four territories[9] involved in the present federation are similar primarily in that they have all shared varying degrees of subordination to Britain and that they all have internal problems of an economic, political, or social nature. Undoubtedly in the most favorable position of all today, the Federation of Malaya in 1948 grew out of the short-lived Malayan Union and represented an amalgamation of the four states of the prewar Federated Malay States, the five states of the former Unfederated Malay States, and the Settlements of Penang and Malacca, which prior to the Japanese occupation were part of the Straits Settlements created under the rule of the English East India Company in 1826. By Asian standards Malaya is a rich area, and, with communal differences submerged, the political stability of the Peninsula has compared favorably with that of any Southeast Asian state. At the tip of the Malayan Peninsula, and long the focal point of British activity in the area, Singapore was founded under British rule (later termed British protection) by Thomas S. (Sir Stamford) Raffles in 1819. It had full internal self-government after December 1959, through the state's external affairs and the ultimate responsibility for Singapore's internal security remained in Britain's hands until the creation of Malaysia. Singapore has long been the entrepôt center of Southeast Asia, but the economy of the island had not kept pace with the economic growth of the Federation of Malaya, a trend that was particularly evident immediately after the British decision to grant qualified independence and the resulting election in 1959 of a Peoples Action party government that had campaigned far to the left (though its conservatism soon became apparent).

Sarawak and North Borneo are politically less mature than Malaya and Singapore. Sarawak, though coming under the wing of British protection in 1888, had been the private domain of the Brooke family from the time James Brooke was installed as the First Rajah in 1841 until it was ceded to Britain by the Third Rajah in 1946. Sarawak had no constitution until one was given by Rajah Charles Vyner Brooke just prior to the Japanese occupation. The present constitution of Sarawak, promulgated in 1956, provides for a Legislative Council (Council Negri) of 45 members, a majority of which (36) are elected by the five Divisional Advisory Councils from among their own members, who in turn were elected to their posts by the 24 Local Authorities. The first Local Authorities elections were held in 1959; the second were held in early 1963 and were followed by the election of members to the next two tiers of government. The Colony of Sarawak is also economically underdeveloped, for the Miri oil field, which reached its peak production in 1929, is now nearing depletion, and agriculture (primarily rubber) therefore remains the basis of the Colony's economy. In addition, there is little promise of widespread agricultural diversification in view of Sarawak's poor soil. Except for isolated tribal communities, the population of 744,529 is centered largely in river valleys throughout the vast area of 47,500 square miles, and in many isolated sections British administration has penetrated only on an intermittent basis.

[9] Throughout this essay I shall frequently refer to the "four" territories though the final Agreement speaks in terms of a "fourteen" state federation. Technically, of course, it is the latter; yet a careful examination of the relevant documents reveals that Malaya was consistently regarded as a unit and is likely to behave as such for a number of years.

Although the East India Company held territorial rights over part of North Borneo briefly in the late eighteenth and early nineteenth centuries, British rule over the Crown Colony of North Borneo may be said to date from the creation of the British North Borneo (Chartered) Company in 1882. The Company's rule was brought to an abrupt halt by the Japanese occupation of 1942, followed by Allied reoccupation in 1945. After a period of government under the British Military Administration, North Borneo (united administratively at the time with the island of Labuan, formerly a part of the Straits Settlements) became a Crown Colony in July 1946. Economically, North Borneo has shown greater promise than Sarawak in recent years. Unlike Sarawak, a trade complex has emerged that focuses almost as much on Japan, Hongkong, and the Far East as it does on Singapore, Malaya, and Europe. More compact than Sarawak, between 40 and 50 per cent of the population of 454,421 is centered in an agricultural belt along the west coast, while a second sizable pocket is located in the vicinity of the northeastern port of Sandakan. Politically, however, North Borneo is at least three years behind developments in Sarawak, for the first elections of Town Boards and District Councils were held only in December 1962, and North Borneo's first political parties emerged only after proposals were put forward for the Federation of Malaysia.[10]

A potential fifth member of the new Federation, Brunei's political and economic development has not paralleled that of the four units of the present Federation in all respects. An Islamic Sultanate, earliest mentioned in European accounts by Ludovico de Barthena in the sixteenth century when it was at the zenith of its power, Brunei has only recently begun to emerge into the twentieth century. Oil discovered in the Seria field in 1929 provided the stimulus for change and has since been the major source of revenue for the state. It has, in fact, been possible to have low taxes and customs duties for residents of the country, all the while accruing revenue surpluses that might be utilized to finance development schemes over the next ten or fifteen years. However, the present oil reserves are rapidly being depleted, explorations have revealed only limited new reserves, and economic diversification has yet to proceed beyond the stage of preliminary planning. Brunei became a protectorate of Britain in 1888, a position that it has kept except during the period of the Japanese occupation, though it had full internal self-government after the promulgation of the state's first constitution in 1959. A partially elected Legislative Council was to have been formed following elections in late August 1962, though, similar to the pattern in Sarawak and North Borneo, representation had been drawn from the popularly elected local councils rather than by direct election. However, unlike Sarawak and North Borneo, the Sultan's Legislative Council, a purely advisory body, retained a non-elected majority. Moreover, these representatives were selected by Malays almost exclusively, for in an electorate of some 17,000, probably more than 90 per cent are Malays, despite the fact that the state has a Chinese minority of almost 25 per cent. Government in Brunei is difficult to understand, but it seemed in recent years that the country was being ruled almost exclusively by the

[10] For a more detailed account of recent politics in Borneo, see the writer's "Elections in Sarawak," *Asian Survey,* 3 (October 1963), and "The Alliance Pattern in Malaysian Politics: Bornean Variations on a Theme," *South Atlantic Quarterly,* 63 (Winter 1964), in press.

Sultan and his advisers — though the difficult question here is identifying the advisers and analyzing the extent of their influence.

The Communal Character of Malaysia

Viewing Malaysia as a whole, the major communal categories could be listed as Malay, Chinese, Indian, and Others — a scheme that is followed in Table I. A Malay is defined by the Constitution of the Federation, Article 160 (2), as "a person who professes the Muslim religion, habitually speaks the Malay language, [and] conforms to Malay custom. . . ." The category "Chinese" includes all who call themselves Chinese, the locally born as well as the native-born. "Indian" sometimes includes Ceylonese and Pakistanis, as it does in Table I. The classification "Others" in Malaya and Singapore comprises primarily Europeans, Eurasians, and aborigines, the last group numbering 41,360 in 1957.[11] In the Borneo territories this miscellaneous category is more complex and assumes greater significance. Particularly in Sarawak and North Borneo the natives, the term officially applied to the indigenous peoples, constitute the vast majority of the population.

Except for a small group of English-educated persons representing all communities and constituting about 8 or 9 per cent of the population over ten years of age, each community has one or several languages particular almost to itself. Malay,

TABLE I

Federation of Malaysia: Communal Composition*

Territory	*Malay*†	*Chinese*	*Indian*‡	*Other*	*Total*
Malaya	3,084,114	2,333,756	735,038	125,850	6,278,758
Singapore	197,060	1,090,595	129,510	28,764	1,445,929
Sarawak	132,541	229,154	2,355	380,479	744,529
North Borneo	26,429	104,542	3,180	320,270	454,421
Total	3,440,144	3,758,047	864,657	860,789	8,923,637
(Brunei)	(45,135)	(21,795)	(n.a.)	(16,947)§	(83,877)
(Total including Brunei)	(3,485,279)	(3,779,842)	(864,657)	(877,736)	(9,007,514)

* Sources: Federation of Malaya, Department of Statistics, *1957 Population Census of the Federation of Malaya,* Report No. 1 (Kuala Lumpur: Department of Statistics, n.d.); *ibid.,* Report No. 14; Singapore, Statistics Department, *1957 Census of Population, Singapore, Preliminary Release No. 7* (Singapore: Government Printing Office, 1959); Colony of Sarawak, *Report on the Census of Population, 1960* (Kuching: Government Printing Office, 1962); Colony of North Borneo, *Report on the Census of Population, 1960* (Kuching: Sarawak Government Printing Office, 1962); and State of Brunei, *Report on the Census of Population, 1960* (Kuching: Sarawak Government Printing Office, 1962).

† Includes Muslim immigrants from Indonesia.

‡ Includes Pakistanis and Ceylonese.

§ Includes Indians, Pakistanis, and Ceylonese.

[11] In the 1957 census in Malaya aborigines were enumerated within the generic classification of Malaysians, but they have been shifted to "others" in Table I to conform to the practice of the Bornean census reports.

the language of the Malays, provides the vernacular means of communicating Islam throughout Malaysia and Indonesia, while a bazaar form of the language is the lingua franca of many of the communities in the area. The vernacular-speaking Chinese of Malaysia usually speak, among other dialects, Hokkien, Hakka, Cantonese, and Teochew, though Mandarin is usually understood if not spoken by many of the younger Chinese who have had some vernacular education. Within the Indian community Tamil is by far the major language spoken, though Malayali and Telegu are also represented. The native communities of North Borneo and Sarawak speak a variety of languages and dialects, the largest linguistic groups being Dusun in North Borneo (31.7 per cent of the total population) and Iban in Sarawak (31.9 per cent).

Islam is the religion of the Malays, many of the coastal natives of Borneo, and usually the Pakistanis. There is a small proportion of Christians among the Chinese and Indians, though the former are primarily Confucian-Buddhist and the latter are mostly Hindus, and, to a much lesser extent, Sikhs. Unfortunately, no religious statistics have been collected in the Malayan census reports since 1931, and thus the totals of Table II cannot be accepted with the degree of certainty that would be desirable. In Borneo, where the 1960 census did record religious groups, the natives are predominantly pagan, though there are sizable groups that have been converted to Islam and are now almost indistinguishable from Malays.

It would probably be overstating the case to say that the major religions of Malaysia and their related social customs are mutually incompatible, but it is clear that conflicting practices make a genuine social synthesis exceedingly problematical.

TABLE II

FEDERATION OF MALAYSIA: RELIGIOUS COMPOSITION

	Muslim		Non-Muslim	
Territory	*Number*	*Percentage*	*Number*	*Percentage*
Malaya*	3,095,036	49.3	3,183,722	50.7
Singapore†	222,962	15.4	1,222,967	84.6
Sarawak‡	174,123	23.4	570,406	76.6
North Borneo‡	172,324	37.9	282,097	62.1
Total	3,664,445	41.1	5,259,192	58.9
(Brunei)	(50,516)	(60.2)	(33,361)	(39.8)
(Total, including Brunei)	(3,714,961)	(41.2)	(5,292,553)	(58.8)

* A religious census was not taken either in 1947 or 1957. These figures are based on the assumption that the only large groups of Muslims were those persons listing their communal affiliations as Malay and Pakistani. (In the 1931 census only 0.3 per cent of the Chinese listed their religion as Muslim.)

† As in the Peninsula, a religious census has not been taken in Singapore since 1931. These figures are therefore based on the assumption that approximately one-fifth those reporting their communal affiliation as "Indian and Pakistani" were Muslims. (In the 1931 census 18.7 per cent of the Indians in Singapore were Muslims.)

‡ These figures have been derived from the 1960 census reports of Sarawak and North Borneo. See Table I, above, for citations.

Moreover, Islam in particular is almost as much a way of life as it is a religion, and, under ideal conditions, the *Quran* and the *Sunnah,* in the minds of devout Muslims, should provide the framework within which the political and economic life of the state may take place. While there is considerably less demand in the Malayan Peninsula to revert to the classical political injunctions of Islam,[12] many of the traditional Islamic and Indian practices have now been superimposed upon the British imported institutions of government. Thus, communalism colors the entire political scene and at every turn provides obstacles to the implementation of the constitutional machinery. According to the classifications of Table I, the Chinese will constitute the largest single community of Malaysia, but they are geographically distributed throughout Malaysia with pockets of high concentration occurring in states with the major urban centers, in tin-mining areas, and in Sarawak, North Borneo, and Singapore. Moreover, in official tabulations there is the tendency to list "Malays and other indigenous races," and by grouping the communities in this manner the Chinese have become the second largest group.

The Communal Problems of Malaysian Federalism

The Federation of Malaya was not a communal-based federation, but communal factors were necessarily one of the major concerns of the Lansdowne Committee as it deliberated proposals for the new federal structure. One of the basic reasons underlying the creation of Malaysia was in fact communal: it was frankly and candidly admitted by most government officials that Singapore could not be brought into any constitutional arrangement unless the large Chinese population could be offset by the simultaneous absorption of at least an equal number of Malays and other indigenous peoples. The logical answer seemed to be the inclusion of the Bornean territories in the scheme, and the resulting federal structure must now be capable of articulating the communal interests of the dominant groups of each territory. In creating this structure of government the architects were faced with several basic problems related to the complex communal nature of Malaysia that demanded resolution before the minutiae of federation could even be considered. Their degree of success in resolving these problems may have considerable affect on the long-range viability of the Federation of Malaysia.

1. *Head of State*

The problem of the head of state had to be considered at two levels — state and federal. On the lower political stratum, the Constitution of the Federation of Malaya provided that the head of each of the Malay States of the Peninsula would be the Malay Ruler of the State. The governors of the two states of the former Straits Settlements (Penang and Malacca) were appointed by the Yang di-Pertuan Agong, the titular leader of the Federation of Malaya. Thus, while the head of each of the

[12] Brunei Malays, however, tend to be somewhat more traditional in their approach to politics — an attitude probably caused largely by their having been cut off from the mainstream of European penetration. Similarly Malaya's northeast, largely unpenetrated by British influence until recently, is the major pocket of conservative strength in the Peninsula. Only in the northeast states of Kelantan and Trengganu is the Pan-Malayan Islamic party a serious threat to the moderate Alliance.

Malay states was required to be a Malay, there was no communal requirement in the cases of the other two. Similarly, in Singapore the Yang di-Pertuan Negara (head of the state of Singapore) could be drawn from any community, though in fact the present, and to date only, head of state is a Malay. The pattern of the Malay states could have been applied without difficulty to Brunei, and a cursory observation might have suggested that the Straits Settlements analogy was unquestionably applicable to the other Bornean territories.

However, the peculiar communal composition of North Borneo and Sarawak would seem to have complicated the application of the Straits Settlements solution. According to the findings of the Cobbold Commission, the natives felt strongly that the head of each of the Bornean states should be drawn from the indigenous races, a point on which the Muslim and non-Muslim groups were generally in agreement. Not surprisingly, most Chinese who testified argued strongly that the position of titular head of state should be open to all communities. In the resulting constitutional machinery it seemed that three possible alternatives were open: (a) the post of local head of state could have been reserved for Malays, or possibly for Malays and Muslim natives; (b) the post might have been reserved for members of the indigenous communities; or (c), as it was finally decided, the titular headship should be opened to all communities.

If the titular leader of the Bornean territories had been selected on the basis of alternative (a), it is quite probable that little opposition would have been encountered from the present Conference of Rulers toward making the Bornean leaders theoretically eligible to fill the office of Yang di-Pertuan Agong. Alternative (b) would have been a somewhat more realistic approach to the selection of the local rulers, but it is unlikely that the present rulers could have accepted even the most remote possibility that the head of the federation might someday be a non-Muslim, and it must be admitted that the Islamic functions of the Yang di-Pertuan Agong incorporated in the constitution could hardly be performed by such a person. Alternative (c) was undoubtedly the most democratic approach, but the above objections applied with even greater emphasis. At the federal level, therefore, the Lansdowne Committee was faced with three basic possibilities: it could have recommended adopting alternative (a), thereby opening the position of Yang di-Pertuan Agong to the Bornean states; it might have recommended excluding Sarawak, North Borneo, and Singapore from consideration for the federal post under alternatives (b) or (c); or, the Committee could have recommended that the office of the head of the federation be separated from the religious leadership of the Muslim community thereby permitting it to be opened to all communities. The Committee, perhaps working within the limits of the politically possible, chose the Straits Settlements formula. As a result the titular leadership of the two non-Malay Bornean states (termed Yang di-Pertuan Negra in North Borneo and Governor in Sarawak) was opened to all communities, but at the same time it was made constitutionally impossible for these leaders to become Yang di-Pertuan Agong of the federation.

It is often argued by Malays that the office of the Yang di-Pertuan Agong is symbolic and has more cultural than political meaning. It is improper, so this argu-

ment goes, for non-Malays to criticize a politically unimportant point that is so strongly held in Malaya and thereby endanger the future of the federation. It must be conceded that the Yang di-Pertuan Agong has little influence in the formulation and execution of political policies and that the religious role of the office is by far the more important; nevertheless, the reverse of the coin must also be apparent to any objective observer. The Yang di-Pertuan Agong is regarded as the constitutional head of state, and it is the often-voiced desire of the political leaders that he be regarded as the symbol of statehood in the eyes of all Malayans. It seems unlikely that an arrangement limiting this titular leadership to ten hereditary religious leaders will be able to elevate the position to the point that it becomes the symbol of Malaysian sovereignty for all communities.

2. *The Place of Islam*

Article 3 (1) of the Constitution of the Federation of Malaya stated that Islam should be the national religion, although complete freedom of religious observance was guaranteed to all communities. That the federation scrupulously observed these religious guarantees could not be disputed, but some leaders in Sarawak and North Borneo questioned the appropriateness of designating Islam as the national religion in an area where Muslims were in a distinct minority. A compromise solution to this was suggested by the recommendations of the British members of the Cobbold Commission (in which the Malayan members seemed to have agreed, at least tacitly). This compromise recommended that Islam might become the national religion of the Federation of Malaysia, but at the same time it was suggested that it should be recorded in the constitution that Islam would not be considered the state religion of Sarawak and North Borneo. While an attractive possibility, this left unresolved the question of federal support of religious undertakings,[13] part of which would be derived from revenues obtained from the Bornean territories, Singapore, Penang, and Malacca.

At the time that the Cobbold Commission was holding hearings in Malaysia it might have seemed probable that the place of Islam would not become a thorny issue so long as the people could be told that it was not to be the state religion of North Borneo and Sarawak. However, there was soon sufficient evidence to suggest that native Bornean leaders were more sophisticated and discerning than might have been anticipated,[14] and the Lansdowne Committee therefore not only accepted but also improved upon the compromise suggested by the Cobbold Commission. Islam is the religion of the federation, but it is not the religion of North Borneo and Sarawak. Moreover, the constitution provides that when federal grants are made for Muslim

[13] The federal government of Malaya, for example, contributed M$2 million in 1962 toward the construction of the new national mosque in Kuala Lumpur. (M$1 = US $0.33.) In addition, the constitution provided for federal grants for Muslim religious schools and for Muslim religious education.

[14] For example, an editorial entitled "Drop the Idea" in August 1962 appealed to the Malayan Prime Minister to abandon the insistence that Islam should be the national religion of Malaysia, for such an attitude, the editorial continued, "could wreck the entire merger scheme." *Borneo Bulletin* (Kuala Belait, Brunei), August 11, 1962. Although published in Brunei (significantly in a center of the oil industry), this weekly attempts to appeal to the English-educated minority throughout the three territories.

religious purposes anywhere in Malaysia, proportionate[15] grants will be made to the states of North Borneo and Sarawak for social and welfare purposes in these states. Given the political and social environment of Malaysia, it seems that the Lansdowne Committee found the best possible compromise.

3. *The Language Issue*

A concerted drive had been underway in the Federation of Malaya since independence to convert from English to Malay as the official language of government and as the medium of instruction in all state-supported schools. Considerable progress had been made, and it seemed probable that if the present pace continued without relaxation the 1967 goal could be attained. However, the Malaysia scheme presented complications at two levels. There was a small but articulate cross-section of the population in North Borneo and Sarawak insistent upon the retention of English as one of the official languages of the new federation as well as its recognition as an official language of the states without time limits. There were less articulate demands that a number of communal languages might be recognized as official languages, at least so far as concerned the states of North Borneo and Sarawak. The real contest as it developed was over the place of English, though it was suspected that the outcome of this might somewhat influence the demands of vernacular-speaking non-Malays. The insistence that Malay should become the only language of government within a prescribed time limit was sometimes taken as evidence in Sarawak and North Borneo of the reassertion of traditional Malay supremacy associated with the period of rule by the Brunei Sultanate, a period marred by much bureaucratic extortion on the part of lesser rulers and constant internecine strife. It became necessary to reassure these groups that Malay was useful for the purpose of integrating the various communities, and at the same time constitutional compromises had to be found that would permit the English-speaking members of the community to understand the operation of government until such time as they could become fluent in Malay.

In popular discussions, the solution to the language problem at first appeared as a simple need to compromise on the time limits permitted for the conversion to Malay in the Bornean territories, and this was the approach taken by the Malayan members the Cobbold Commission. However, the question of the official language of government could not be considered in the Bornean territories alone, but had to be viewed on a federation-wide basis, a point that the Cobbold Commission failed to give adequate consideration. Regardless of the constitutional structure that was to emerge, delegates would be sent to a federal parliament in Kuala Lumpur, where debates would have been conducted and reported exclusively in Malay after 1967 if the goals were to have been met. This of course was only one example, for if the language of the federal government were to be Malay after that date, it would mean that the non-Malay-speaking residents of the Bornean territories would have been placed at a distinct disadvantage except in the conduct of state and local government. The most rational solution probably would have been a complete readjust-

[15] The explanation of "proportionate" is complex and might best be understood by the following equation:

$$\frac{\text{Grant to the State}}{\text{Federal grant for Muslim Purposes}} = \frac{\text{Federal revenue from the State}}{\text{Total federal revenue}}$$

ment of the projected timetables that could have placed all units of the new federation on equal footing, but the pursuit of linguistic unity in Malaya was sometimes more emotional than rational.[16] Political leaders repeatedly voiced assurances that the 1967 target date would be met in Malaya regardless of the outcome of the Malaysia scheme, and such insistence made the necessary compromises doubly difficult.[17]

The Lansdowne Committee found a compromise solution that will probably permit these emotional demands to be satisfied, while at the same time it provides in actuality that the complete conversion to Malay will be delayed until 1973. It is now provided that Malay may become the official language of Malaya after 1967, but that English should continue as one of the official languages of North Borneo and Sarawak for ten years after the creation of Malaysia. Moreover, and this is the innovation introduced by the Lansdowne Committee, not only is English an official language in Borneo but it may also be employed in correspondence with the federal government and it may be used in Parliament by the representatives from Borneo. When this is coupled with the usual practice of government of replying to questions in Parliament in the language of the questioner, it seems probable that for all practical purposes English will continue to be one of the accepted languages of government until at least 1973.[18]

4. *Citizenship and Migration*

The question of citizenship early became a highly emotional issue in at least part of Malaysia. The recommendations of the Cobbold Commission were liberal in their views toward the non-native population of Borneo, and, since they were unanimous, it seemed likely that the recommendations would be incorporated into the constitutional proposals, as they later were. The Commission recognized that the Agreement reached between the prime ministers of Singapore and the Federation of Malaya[19] had set forth a goal of Singapore "citizenship" combined with federation "nationality" for Singapore residents, but it was concluded that such elaborate procedures would be unnecessary for North Borneo and Sarawak. Thus, the question of citizenship for Bornean residents was early settled in a manner that caused little concern in Borneo.

In Singapore, however, the search for the necessary compromises was less serene. The Agreement of August 23, 1961, was later amended to change "nationality" to

[16] One example of the emotional content of this issue was given by the Chairman of the Central Executive Committee of the National Language Month. Commenting on a serious and moderate editorial in an English-language newspaper to the effect that it might be necessary to delay the language goal beyond the 1967 deadline, the Chairman replied in a public address: "to us there are only two groups. The group that is for the language, and the other that is against. There is no in-between group. Those for the language are with us. Those who are not with us are our enemies." See *Malayan Times* (Kuala Lumpur), July 30, 1962, p. 2.

[17] For example, in announcing the formation of a new National Language Implementation Committee, the Prime Minister reassured his audience that it would be "Malay only by 1967." See *Malayan Times,* August 19, 1962, p. 4. Such comments were to be found almost daily in the press.

[18] The question of the language employed in reporting the activities of government and in the publication of official documents has not yet come up and probably will not until the target date of 1967 draws near. However, it seems probable that a compromise will be found that will prove acceptable to the English-speaking territories.

[19] See n. 4, above.

"citizenship" each time it occurred in the Agreement, though in fact the restrictions that were later to be imposed on internal migration and the barriers placed in the path of changing one's place of residence revealed it to be almost entirely a change in terminology.[20]

The Federation of Malaysia is probably unique in the complexity of its laws governing migration. Following the compromises suggested by both the Cobbold Commission and the Lansdowne Committee, immigration into the federation is controlled by the federal government, though in most cases it is necessary to secure the permission of the Bornean states if this is where the alien is to reside. The federal Parliament may legislate to control internal migration between Malaya and one of the new states or between two of the new states, but where a Bornean state is concerned its approval must usually be given in each case. Within the Malaysian social environment the seeming necessity of these safeguards may appear understandable, but the administrative complexities of such constitutional arrangements must also be apparent.[21]

Malaysia: Action and Reaction

Without many compromises on the part of all concerned it would have been impossible to create the Federation of Malaysia, but there is always the danger that the resulting constitution is so filled with these compromises as to be cumbersome or perhaps even unworkable in the long run. Even before the constitution could be agreed upon, there were numerous major and minor crises to face. There were strong political forces in several of the original five areas that opposed federation, and the role that they might play was not easily predicted. In Singapore a delegation representing some of the most outspoken opponents of Malaysia, the Council of Joint Action, journeyed to the United Nations to present its views before the Committee on Colonialism. After this move appeared to be unsuccessful, it remained for Singapore officials to try to guess what other tactics might be employed. The Malaysia Referendum, shrewdly though perhaps somewhat unethically manipulated by the PAP, gave the government the mandate to enter the federation,[22] but in the

[20] The present constitutional arrangements recognize that citizens of Singapore are automatically eligible to become citizens of Malaysia. However, by the provisions of the constitution, should a foreign-born Chinese citizen (these represent almost one-third the Chinese population of Singapore) move into the Peninsula he could not become eligible to vote in his new home until he had satisfied all the requirements for the naturalization of aliens in Malaya. These requirements include residence in Malaya for ten of the preceding twelve years and an adequate knowledge of Malay. It seems that it is more accurate to describe this arrangement in the original language of the Singapore-Malaya Agreement, which distinguished between citizenship and nationality.

[21] The assumption underlying many of the citizenship and migration provisions — that the Chinese will leave overcrowded Singapore in great numbers if legally permitted — is not self-evident, though it seems to have been accepted uncritically by most Malaysian leaders. This presupposition deserved much more careful examination than it received.

[22] The story of the Malaysia Referendum in Singapore is too lengthy and complex to recount here, but it is a fascinating example of the manipulation of political forces by a group who were apparently convinced that a noble end justifies the employment of almost any legal means. It also revealed the Singapore Prime Minister, Lee Kuan Yew, to be one of the most masterful politicians in Southeast Asia. Willard A. Hannah has recorded a detailed account of the Referendum in American Universities Field Staff, Reports Service, "Malaysia, A Federation in Prospect," Part XIII, "Singapore — The Strategy and Tactics of Merger," *Southeast Asia Series,* Vol. 10 (1962), No. 17. Hannah's entire series on Malaysia is a valuable contemporary account of the politics underlying the creation of the

explosive Singapore environment the possibility of extra-legal agitation could never be ruled out. The answer of the Singapore government was a massive roundup of known and suspected left-wing leaders under the state's extensive political detention powers granted by the Preservation of Public Security Ordinance. With most of the more influential leaders in jail for some eight months preceding the creation of the federation, anti-Malaysia forces in Singapore were considerably less influential than might have been predicted earlier.

In Sarawak the Malaysia proposals brought to the surface many previously submerged political ailments growing out of colonial government and a complex racial situation. Many members of the some 31 per cent Chinese minority in Sarawak are today probably just as alienated from the political system as were a large proportion of the Chinese of Malaya in 1948. The colonial administration banned left-wing news media at about the same time as the roundup of opposition leaders occurred in Singapore — a ban that has continued in effect to the present time — but with a hard core of communists probably present already and with some of those who were previously uncommitted being pushed to the left by political developments, it seems likely that the anti-Malaysia forces of Sarawak have not been heard from for the last time.

While left-wing politics in Singapore produced some colorful distractions, it was in Brunei that the anti-Malaysia forces proved to be the most explosive and the most effective. Here the Sultan had the constitutional power to take the state into the new federation with or without the approval of the Legislative Council; moreover, the first Legislative Council, an entirely appointive body, gave its approval to the Malaysia scheme. The picture was complicated, however, by the fact that the elected membership of the second Legislative Council (16 of 33 members) was drawn exclusively from *Partai Rakyat,* a party strongly advocating Malay and Muslim supremacy and thus by party pronouncements a resolute supporter of the Sultan's authority. Yet the party, before the Sultan's announced intention to join the new federation, took a position of firm opposition to the scheme, and it fought and won an overwhelming victory in the August 30, 1962, elections primarily on an anti-Malaysia platform.[23]

The picture became further confused when an abortive revolt was initiated by the president of *Partai Rakyat,* Sheikh A. M. Azahari, a Brunei Malay whose attitudes and techniques may reveal an indebtedness to political experience gained in wartime Indonesia.[24] Sultan Omar, refusing to cooperate with Azahari's rebels, banned the *Partai Rakyat,* dissolved the partially elected Council, and appointed a

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federation. However, in view of the September 1963 elections in Singapore, in which the PAP won an overwhelming victory, it might be necessary in the future to reassess the referendum.

[23] The party captured 15 of 16 elective seats and the remaining member joined the party after the election. Even before the attempted coup d'état leaders of *Partai Rakyat* advocated a unification of the three Bornean territories under Brunei's leadership. Party leaders argued that Britain was morally and legally obligated to return to Brunei those areas that had been detached from the state during the colonial period.

[24] Sheikh Azahari considers himself a Brunei Malay, though his citizenship is not recognized by the Brunei government. Azahari, born in Labuan but later employed in Brunei, lived in Indonesia during the second world war and matured politically under the Japanese, just as did most of the present Indonesian politicians. It seems more than a coincidence that

new advisory Council. It at first appeared that Azahari had dealt the death blow to organized anti-Malaysia opposition in Brunei, for after this experience the government belatedly encouraged the formation of a new party (the Brunei Alliance) that not only advocated affiliation with Malaysia but also looked toward the more responsible participation of Bruneians in the affairs of government. However, as events in London were later to demonstrate, anti-Malaysia sentiments in Brunei were still strong.

Despite articulate opposition in Singapore, Sarawak, Brunei, and to a lesser extent North Borneo,[25] most political groups were agreed that federation was desirable, and thus the new political entity, though for the time it does not include Brunei, after a brief delay materialized much as it had been suggested in vague outline by the Malayan Prime Minister in May 1961. The resulting federal structure seems to have been successful in blazing a narrow trail through the communal thickets and perhaps it even provides a means of articulating some of the major communal interests without exacerbating communal animosities. However, the struggle to achieve a viable federation still has not been won completely, for it can be tested only by time. There are economic and political problems likely to arise in the coming years that are almost certain to place added stress on the young federation.

During the final four years of its existence the Federation of Malaya enjoyed economic prosperity that could not be duplicated in Southeast Asia. The Second Five-Year Plan, published in 1961, was predicated on the assumption that the price of rubber, at the time M$1.05 per pound, would probably have fallen to 80 cents by the close of the Plan. At the time of the creation of the Malaysian constitution rubber was selling at about 75 cents and there were experienced observers willing to estimate that it would drop to about 55 cents per pound by 1966. While the exploitation of newly discovered iron ore deposits, together with increased productivity from new strains of rubber that are only now beginning to bear, will offset this loss in revenue somewhat, it is still recognized by some economists that a period of belt-tightening seems inevitable. Similarly, Sarawak, which has done comparatively little replanting of high-yielding rubber, will be adversely affected by declining rubber prices at a time when the output of the Miri oil field has fallen off to an almost insignificant amount. It was recognized in Sarawak even before federation that a drastic overhaul of the present tax structure was long overdue, and increased taxes must now be imposed at a time of declining earnings. After Britain decided to give up the Bornean colonies it was apparent that the subsidies previously provided would be available only in reduced amounts and for a limited time. Particularly in the case of Sarawak, this deficit now must be borne by the federation.

Azahari's political attitudes (as expressed to the author in lengthy discussions in Brunei on the eve of the state's first elections), his campaign techniques, and his abortive revolutionary struggle are more suggestive of Indonesian than of Malaysian politics. As yet, a satisfactory analysis is not available to explain the vastly different courses of political development in postwar Indonesia and Malaysia, two areas that seem basically similar except for the accident of colonial political boundaries. A thorough case study of Azahari's (probably brief) political career might prove surprisingly illuminating.

[25] Opposition to the Malaysia scheme in North Borneo dissipated after the Philippines put forward its claim to part of the Colony. However, there continued to be some pronounced opposition from minority groups, mostly those influenced by events in the troubled Fifth Division of Sarawak, which shares a common border with North Borneo.

A second problem is that of rising expectations. Malaya used its impressive economic schemes, particularly in the field of rural development, to sell the Malaysia idea to the less fortunate Borneans. As the Cobbold Commission pointed out, the information program was proving to be effective, but the disillusionment might be serious if such development should not be rapidly forthcoming. In Malaya, moreover, after the successful conclusion of the London talks, the press carried headlines almost daily describing the probable benefits of the new federation. Unfortunately, there was little recognition of the sacrifices that new scheme would entail.[26]

There is no reason for dejection about the economic future of the Federation of Malaysia, for the area is probably rich enough to meet in a satisfactory manner all of the problems that have been mentioned. The danger is that this period of general belt-tightening throughout Malaysia will unhappily coincide with the formative years of the new federation. While it would have been a necessary adjustment regardless of the political structure, there is the danger that politicians may see in it a cause-and-effect relationship rather than recognizing the unfortunate coincidence of events. If this should happen, the natural centrifugal forces of Malaysia may be strengthened considerably.

[26] However, the bellicose attitude of Indonesia toward the creation of Malaysia probably served a very useful purpose in Malaya. Reacting to Indonesia's policy of "confrontation," the press some months before the advent of Malaysia began warning Malayans that personal and financial hardships might lie ahead if Indonesia carried out its belligerant threats. Though growing out of a fear of Indonesian aggression, these warnings served somewhat belatedly to prepare the people for something less than a utopia.